

Central Maine Power Company

Price Cap Calculation

July 1, 1999

(Savings Calculations Using Average of CMP's 1998 Purchases and Sales)

Inflation Index (Attachment 3)	0.89%
Productivity Offset (Stipulation, Paragraph 6)	1.00%
Inflation Index less Productivity Offset	-0.11%
Times 1 minus QF Factor (1- 0.375) (Stipulation, Paragraph 6)	0.625
Price Index	-0.07%

	(\$000's)	
Earning's Sharing (Attachment 4, Page 1)	0	
Denominator for Earnings Sharing (Attachment 22)	939,255	
% Change for Earnings Sharing		0.00%

FEV Restructuring Decrease (Attachment 6)	734	
Denominator for FEV (Attachment 22)	770,592	
% Change for FEV		-0.10%

	1998 Net Savings	
Savings from Other QF Restructurings:		
Total (Attach 1, Page 2 of 2)	647	
50% Flowthrough to ratepayers	324	
Denominator for Other QFs (Attachment 22)	770,592	
% Change for Other QFs		-0.04%

Mandates:		
Deferred DSM (Attachment 18)	449	
Reconcilable DSM (Attachment 19)	2,000	
SFAS No.106	0	

Penalties: DSM (Attachment 20)	0	
Customer Service (Attachment 21)	0	

Total Mandates/Penalties	2,449	
Denominator for Mandates/Penalties (Attachment 22)	939,255	
% Change for Mandates/Penalties		0.26%

Total Price Cap Increase Effective July 1, 1999 Unconstrained	0.05%
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Reconcilable DSM Adjustment		
Reconcilable DSM Adjustment	(425)	
Denominator for Mandates/Penalties (Attachment 22)	939,255	
% Change for Mandates/Penalties		-0.05%
Total Price Cap Change Effective July 1, 1999		0.00%

Central Maine Power Company

Treatment of Savings from FEV Contract Restructuring
(Dollars in Thousands)

	1994 Actual	1995 Actual	1996 Actual	1997 Actual	1998 Actual	Jan, 1999 through March, 1999 Actual	April, 1999 through Feb, 2000 Projected
Avoided purchased power							
Contract payments (pgs 2&3)	\$ 5,976	\$ 31,929	\$ 32,968	\$ 34,368	\$ 34,659	\$ 8,535	\$ 29,832
Plus: 1/2 net Revenue from Houlton Water Co (see Attachment 19)				202	610	73	
Less:							
Purchased power (pgs 4,5&6)	1,451	7,554	7,882	7,914	8,064	2,550	6,359
Replacement power (pg 7)	105	191	(24)	(244)	(111)	46	0
Wheeling (pgs 5&8)	79	1,002	936	919	826	224	0
Amort. of contract buyout (9&10)	798	9,711	9,498	9,498	9,498	2,375	8,707
Carrying costs on buyout (9&10)	609	6,564	5,030	3,894	3,181	684	2,125
Depreciation of facility (pgs 11&12)	42	249	249	262	301	80	0
Carrying costs on facility (pgs 11&12)	42	235	208	190	181	45	0
Net Savings	2,850	6,423	9,189	12,137	13,329	2,604	12,641
Less savings from flowed through rates (pgs 13&14)	482	6,418	11,171	13,321	11,840	3,268	11,939
Savings not flowed back	2,368	5	(1,982)	(1,184)	1,489	(664)	702
Estimated ending balance before July 1, 1998 price change	<u>\$ 2,368</u>	<u>\$ 2,373</u>	<u>\$ 391</u>	<u>\$ (793)</u>	<u>\$ 696</u>	<u>\$ 32</u>	<u>\$ 734</u>

Note: Pages 2 through 13 support 1998 actual figures and projections. Support for 1994, 1995, 1996 and 1997 was included in prior ARP filings.

Central Maine Power Company
Price Cap Increase Effective July 1, 1999

	(\$000's)
Other QF Restructurings:	<u>1998 Net Savings</u>
Smelt Hill (Attachment 7)	\$ (282)
Robbins Lumber (Attachment 8)	32
Pejepscot (Attachment 9)	(415)
Hacket Mills (Attachment 10)	(41)
Kezar & Ledgemere (Attachment 11)	(423)
MERC (Attachment 12)	(2,517)
White's Brook (Attachment 13)	3
Stratton Energy Associates (Attachment 14)	337
Pioneer Dam (Attachment 15)	6
Kimbery Clark (Attachment 16)	2,816
Ashland (Attachment 17)	<u>1,131</u>
Total	<u>\$ 647</u>